

Remarks on Oil Production and Gasoline Prices and an Exchange With Reporters
October 31, 2022

The President. You're not out in the rain with the Halloweeners.

Q. Yes.

Q. Soon.

The President. Well, I've got to go out, so you've got to come with me. [*Laughter*]

Q. We'll be there.

The President. Well, good afternoon. This is a very short statement, but a consequential one, in my view. Putin's invasion of Ukraine in March set gas prices soaring literally around the world—not just here, but around the world.

And because of the action we've taken since then, gas prices have actually come down—going into the Strategic Petroleum Reserve—here at home, in America. They're down more than \$1.20 since their peak this summer. And they've been falling for the best of—best part of the last 3 weeks.

In June, the average price—not the most common price, but the average price—nationwide was over \$5 a gallon. Today, the average price for a gallon of gas is \$3.76. That's adding up to real savings for American families, the difference between those prices. And this difference makes a difference.

In a difficult time, Americans across the country have stepped up, and they—to do the right thing. But not everyone stepped up. The oil industry has not, has not met its commitment to invest in America and support the American people.

One by one, major oil companies have reported record profits, not just a fair return on—for hard work. Every company is entitled to that: a fair return for the work they do or innovation they generate. It means—but I mean profits so high it's hard to believe.

Now, the second quarter of the profits were really high. But the third quarter—last week, Shell announced that it made \$9.5 billion in profits for the third quarter—\$9.5 billion. That's almost twice as much as it made in the third quarter of last year. And I think that's something. You think that's incredible? I thought, "My—that's as good as—as high as it's going to get."

Then along came Exxon. Exxon's profits for the third quarter were at \$18.7 billion—one quarter, \$18.7 billion—nearly triple what Exxon made last year and the most in its 152-year history. It's never made that much profit.

In the last 6 months, six of the largest oil companies have made more than \$100 billion—\$100 billion. And we had a little discussion about this, the three of us and others. One hundred billion in profits in two—less than 200 days. That's not bad.

And here's why this—here's why this matters. I think it's outrageous what their—the size of the profit. Here's why it matters: If these companies were making average profits they've been making by refining oil over the last 20 years instead of the outrageous profits they're making today and if they passed the rest on to the consumers, the price of gas would come down around an additional 50 cents.

If they're investing their profits in the historic—at historic rates in their U.S. operations, then America would be producing more oil today and prices would be down even further. But rather than increasing their investments in America or giving American consumers a break, their excess profits are going back to their shareholders and their buying back their stock, so the executive pay is—are going to skyrocket.

Give me a break. Enough is enough. Look, I'm a capitalist. You've heard me say this before: I have no problem with corporations turning a fair profit or getting the return on their investment and innovation. But this isn't remotely what's happening.

Oil companies' record profits today are not because they're doing something new or innovative. Their profits are a windfall of war—the windfall from the brutal conflict that's ravaging Ukraine and hurting tens of millions of people around the globe. You know, at a time of war, any company receiving historic windfall profits like this has a responsibility to act beyond their narrow self-interest of its executives and shareholders.

I think they have a responsibility to act in the interest of their consumers, their community, and their country; to invest in America by increasing production and refining capacity. Because they—they don't want to do that. They have the opportunity to do that—lowering prices for consumers at the pump.

You know, if they don't, they're going to pay a higher tax on their excess profits and face other restrictions. My team will work with Congress to look at these options that are available to us and others. It's time for these companies to stop war profiteering, meet their responsibilities to this country, and give the American people a break and still do very well.

The American people are going to judge who's standing with them and who is only looking out for their own bottom line. I know where I stand, and I want to let the—I'm—going to hear more from me about this when the Congress gets back.

Thank you all very, very much. Appreciate it.

President-Elect Luiz Inácio Lula da Silva of Brazil

Q. Mr. President—how was your call with President Lula today, Mr. President? How was your call with Lula from Brazil today, Mr. President?

The President. What?

Q. Your call with Lula from Brazil, the President-elect—how was it?

The President. It went very well. We're putting a team together to get together and discuss what we can do together. He wants to focus on the environment, democracy, and dealing with the poor in his country and saving the Amazon.

Q. Are you inviting him to the White House?

NOTE: The President spoke at 4:34 p.m. in the Roosevelt Room at the White House. In his remarks, he referred to President Vladimir Vladimirovich Putin of Russia; Secretary of the Treasury Janet L. Yellen; and Secretary of Energy Jennifer L. Granholm.

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